BIO
BIOTECHNOLOGY
INDUSTRY
ORGANIZATION

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BY ELECTRONIC SUBMISSION

Division of Dockets Management (HFA-305)
Food and Drug Administration
5630 Fishers Lane, Room 1061
Rockville, Maryland 20852

Re: Docket No. 2004S-0170
Medicare Prescription Drug, Improvement, and Modernization Act of 2003, Section 1013: Suggested Priority Topics for Research

In response to section 1013 of the Medicare Prescription Drug, Improvement, and Modernization Act ("MMA"), request for stakeholder input, the Biotechnology Industry Organization ("BIO") submits these recommendations for research priorities to the Agency for Healthcare Research and Quality ("AHRQ"). BIO appreciates the opportunity to offer input and looks forward to working with AHRQ throughout the process envisioned by section 1013.

BIO represents more than 1,000 biotechnology companies, academic institutions, state biotechnology centers, and related organizations in the United States. BIO members are involved in the research and development of health-care, agricultural, industrial and environmental biotechnology products.

Section 1013 requires AHRQ to "evaluate and synthesize available scientific research related to health care items and services...with respect to the comparative clinical effectiveness, outcomes, appropriateness and provision of such items and services."1 Current scientific research in these areas is incomplete because it fails to assess some very important economic measures regarding the provision of health care. As a result, Congress required AHRQ to "identify issues for which existing scientific evidence is insufficient with respect to such health care items and services."

BIO agrees that current research is incomplete because it does not detail the "whole story" of the value and benefit of certain health care products, specifically prescription

1 BIO understands that Congress may be using the term "effectiveness" more broadly than it would be used by the healthcare research community generally. Specifically, we understand the term to include not only clinical efficacy, but also more general comparative effectiveness, measured in a variety of different ways.

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drugs and biologics, in delivering patient care. BIO appreciates AHRQ's efforts to solicit input into the research process so that the research efforts developed under section 1013 are carefully crafted. However, BIO is concerned that researched developed under section 1013 section might be applied in misleading contexts. We remain quite troubled by the potential harm to patient access to important technologies, particularly breakthrough biotechnology therapies, if the research that results from section 1013 is applied inappropriately.

BIO hopes that AHRQ will continue a collaborative process with public stakeholders, not only about appropriate research designs and projects, but also about the proper applications for this research.

The following comments describe BIO's concerns and detail some of the unique issues facing researchers seeking to compare biotechnology products.

Comparative Effectiveness Research Must Be Carefully Applied

During the recent "Listening Session" on section 1013 issues, CMS and AHRQ acknowledged that the funds available for the comparative effectiveness research required under the section are limited. Moreover, the time available for at least the initial phases of many research projects is short. Necessarily then, AHRQ and other stakeholders are seeking creative means for addressing the research goals of section 1013. While this may be a reasonable response to the requirements of the statute and the budgetary constraints imposed by Congress, BIO and its members worry that these limitations may not be adequately considered when the ultimate research is synthesized and applied in other settings.

Specifically, BIO worries that some may seek to make coverage and payment decisions on the basis of this research. We believe that section 1013's research agenda does not contain sufficient protections to ensure that such decisions are not made based on overly broad assumptions about the applicability of its research. While we agree that decisions among courses of therapy can be informed by evidence of relative effectiveness, treatment decisions cannot be driven solely by under-funded research. Decisions among courses of therapy must often be patient-specific and may be based on a variety of factors—well beyond those that could be accounted for in a comparative effectiveness study. Many of our members are researching and producing products that will be increasingly targeted to specific pools of patients—and perhaps in the future, specific patients. BIO is troubled by the prospect that patient access to these novel therapies could be hindered or delayed because of the improper use of AHRQ's research under section 1013. The evidence developed under the section may be informative, but it should not determine coverage and reimbursement decisions.

As a result of these concerns, BIO urges AHRQ and other interested parties to ensure that the research agenda created under section 1013 is not only carefully crafted, but also carefully applied.

The Special Case of Orphan Products

Concerns about the limitation of comparative effectiveness research are particularly acute for products designed for orphan diseases, which are important to many BIO members. Prior to the enactment of the Orphan Drug Act there were no economic incentives to develop and market these life saving treatments. Congress recognized this market place insufficiency and enacted the Orphan Drug Act to create incentives, via tax breaks and market exclusivity, for the development of treatments for rare diseases. Therefore, by definition, many orphan drugs are the only treatment available for patients. BIO believes is it inconsistent and inappropriate to apply comparative clinical effectiveness measurements to treatments that represent the only choice to patients with rare diseases.

BIO believes that comparative effectiveness research required by section 1013 should not be applied to orphan disease treatments. BIO believes that as a result of the unique nature of orphan treatments, many cost effectiveness and cost comparison models would break down if attempts are made to apply them to orphan products. Therefore, BIO urges AHRQ to collaborate with patient groups representing those with rare diseases to ensure that the application of section 1013 research does not apply and; therefore, does not harm the development of treatments for these disorders. Any studies undertaken for orphan diseases must take into account the unique issues facing patients with these conditions.

Research Design Concerns: Choice of Comparisons

One element of BIO's general concern about the application of section 1013 is our concern that the section will generate inappropriate comparisons of particular products.

Because our members' products are often the only available treatment for particular conditions, there may be no comparable alternative. Biotechnology breakthroughs may also offer better side effect profiles and other improvements that make comparisons with existing therapies inappropriate. BIO urges AHRQ to carefully and accurately select clinical regimens that represent true alternatives in patient care.

When making these selections, researchers should understand that the point of comparison for a biotechnology therapy may not always be a drug or another biotech product. For example, instead of examining the comparative clinical effectiveness of two cancer medicines, the more appropriate comparison might be the comparative clinical effectiveness of one medicine or combination of medicines versus prolonged hospitalization and other health care costs associated with that cancer treatment. Studies that are narrowly designed to only compare two treatments of the same type will ignore the true value that either treatment could add when compared to a broader treatment regimen. Again, alternative regimens should be carefully selected to represent comparable alternatives.

Other Concerns

BIO hopes that any research comparing biotechnology products with other therapies will be structured to take into account the unique nature of many biotech therapies. The following is a by no means exhaustive list of examples of other areas of concern:

- *Increased Safety*- BIO is concerned that comparative effectiveness research will not account for the improved safety offered by breakthrough technologies. Many BIO member products are not only clinically more effective than other products, but are also safer to administer.

- *Improved Quality of Life*- Many biotechnology products and those currently being researched are designed not only to extend life but to improve the quality of life that patients enjoy. BIO is concerned that these improvements may not always be accounted for in comparative effectiveness studies.

- *Workplace Improvements*- In addition to health improvement, many therapies offer increased productivity. Patients may be able to return to work faster and be more productive with biotechnology therapies relative to other treatments. Research that does not account for the increased productivity of patients that result from a studied course of treatment is likely to be inadequate.

- *Reduced Health System Costs*- An accurate comparative clinical effectiveness study must be broad enough to measure potential costs incurred in all settings.

- *Relapse Costs*- Comparative effectiveness studies must account for costs saved by therapies that prevent relapses.

- *Coverage Decisions*- Product utilization is often a function of Medicare or private insurance coverage. However, under certain circumstances the more clinically effective treatment may not be covered by insurance and is therefore underutilized. Comparative clinical effectiveness studies should examine the relationship between coverage decisions and clinical outcomes.

- *Patient Compliance* and *Reduced Side Effects*- The determination of clinical effectiveness must not overlook patient compliance and the reduction of side effects.

- *Timeline*- Research under this section should be sensitive to the fact that many benefits for biotechnology and other therapies may only become apparent after the passage of time.

Conclusion

BIO remains troubled by the prospect that research developed under section 1013 could be inappropriately applied, causing patient access to breakthrough technologies to suffer. However, we appreciate the efforts of AHRQ to gather input from key stakeholders and hope the agency will continue a collaborative process as the agenda of section 1013 moves forward.

Respectfully submitted,

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